

MS Panel

ANALYSIS OF S. 2628 AND H. R. 7619

BILLS

"TO INCREASE RATES OF COMPENSATION
OF THE HEADS AND ASSISTANT HEADS
OF EXECUTIVE DEPARTMENTS AND
INDEPENDENT AGENCIES, AND FOR
OTHER PURPOSES"



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ANALYSIS OF S. 2628 AND H. R. 7619

Bills, to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and for other purposes

On July 15, 1955, the President sent identical letters to the respective chairmen of the Senate and House Committees on Post Office and Civil Service recommending approval of proposed legislation drafted by the administration to increase the pay of the heads and other top officials of the Government during the first session of the 84th Congress which was then nearing adjournment.

S. 2628 was introduced on July 25 and reported favorably by the Senate Committee on Post Office and Civil Service July 29 as proposed by the President without benefit of public hearings or deliberate consideration.

H. R. 7619 was introduced on July 26; reported favorably by the House Committee on Post Office and Civil Service July 27; and, passed in the House July 30. H. R. 7619 differs from S. 2628 in that it revises materially the rates of pay and alignment of positions set forth in the recommended legislation submitted by the President.

The bills were brought up in the Senate for consideration during the closing hours of the session and passed over in order that the subject might be approached in a more deliberate manner.

On October 7, 1955, Philip Young, Personnel Adviser to the President, was asked to acquaint the committee with the current views of the administration not later than December 15, 1955, in order that appropriate data could be assembled properly and the bills brought up for consideration at an early date during the current session.

Mr. Young responded to the request on February 21, 1956, as follows:

THE WHITE HOUSE,
Washington, D. C., February 21, 1956.

Hon. OLIN D. JOHNSTON,
United States Senate, Washington, D. C.

DEAR SENATOR JOHNSTON: I am making a further reply to your letter of October 7, 1955, requesting the administration's views on S. 2628, a bill to increase rates of compensation for the heads and assistant heads of executive departments and agencies.

Since the action of the Senate and House committees last summer, the President has carefully reviewed the various proposals with respect to executive pay and has authorized me to advise you of his conclusions, as follows:

1. That an increase in the pay of the Government's top executives is urgently needed.
2. That for the time being the relationships among the salaries of various department and agency heads and their assistants should be continued substantially as established by the 81st Congress in Public Law 359.
3. That such adjustments in the relationships between the salaries of department and agency heads as may be warranted should be considered on an individual basis at an appropriate time in the future, subsequent to the to the enactment of the increases proposed in S. 2628.

It is therefore the earnest desire of the President that prompt and favorable action be taken on S. 2628.

Sincerely,

PHILIP YOUNG.

Table A is a listing of positions by department or agency that would be affected by either bill. The table shows (1) the position title and number of such positions if more than one has the same title, (2) the present salary, (3) the salary that would be established by S. 2628, (4) the salary that would be established by H. R. 7619, and (5) the views of the department or agency. In those cases where treatment other than that provided by either S. 2628 or H. R. 7619 is recommended by the department or agency, that fact is noted and the full text of the request is included as an exhibit following table B.

Table B is a grouping of positions by salary level as provided in S. 2628. The table lists each position by title and shows with respect thereto: (1) present salary, (2) salary under S. 2628 with sectional reference, and (3) salary under H. R. 7619 with sectional reference.

TABLE A.—*Positions by department and agency*

EXECUTIVE DEPARTMENTS

Position	Salary			Views of department or agency
	Present	S. 2628	H. R. 7619	
Agriculture, Department of:				
Secretary-----	\$22,500	\$25,000	\$25,000	
Under Secretary-----	17,500	21,000	21,000	
Assistant Secretaries (3)-----	15,000	20,000	19,000	
Commodity Stabilization Service, Administrator.	15,000	20,000	(1)	
Rural Electrification Administration, Administrator.	15,000	20,000	19,000	
Farmers Home Administration, Administrator.	14,800	17,500	(1)	
Federal Crop Insurance Corporation, Manager.	14,800	17,500	(1)	
Forest Service, Chief Forester-----	14,800	17,500	(1)	
Soil Conservation Service, Administrator.	14,800	17,500	(1)	
Commerce, Department of:				
Secretary-----	22,500	25,000	25,000	Favors S. 2628.
Under Secretary-----	17,500	21,000	21,000	
Under Secretary for Transportation-----	17,500	21,000	21,000	
Assistant Secretaries (3)-----	15,000	20,000	19,000	
Civil Aeronautics, Administrator-----	15,000	20,000	19,000	
Public Roads, Commissioner-----	15,000	20,000	19,000	
Defense, Department of:				
Secretary-----	22,500	25,000	25,000	Favors S. 2628.
Deputy Secretary-----	20,000	22,500	22,500	
Secretary of:				
Army-----	18,000	22,000	22,000	
Navy-----	18,000	22,000	22,000	
Air Force-----	18,000	22,000	22,000	
Assistant Secretaries of Defense (9)-----	15,000	20,000	19,000	
Under Secretary of:				
Army-----	15,000	20,000	20,000	
Navy-----	15,000	20,000	20,000	
Air Force-----	15,000	20,000	20,000	
Military Liaison Committee for AEC, Chairman.	15,000	20,000	19,000	
Assistant Secretaries of-----				
Army (4)-----	15,000	20,000	19,000	
Navy (4)-----	15,000	20,000	19,000	
Air Force (4)-----	15,000	20,000	19,000	
Health, Education, and Welfare, Department of:				
Secretary-----	22,500	25,000	25,000	Favors S. 2628; Amendment suggested in letter included as exhibit 2, p. 13.
Under Secretary-----	17,500	21,000	21,000	
Assistant Secretaries (2)-----	17,500	21,000	21,000	
Special assistant to the Secretary-----	15,000	20,000	19,000	
Commissioner of Social Security-----	14,800	17,500	17,000	
Interior, Department of:				No reply to request for views.
Secretary-----	22,500	25,000	25,000	
Under Secretary-----	17,500	21,000	21,000	
Assistant Secretaries (3)-----	15,000	20,000	19,000	
Governor of Alaska-----	15,000	20,000	19,000	
Governor of Hawaii-----	15,000	20,000	19,000	
Governor of the Virgin Islands-----	15,000	20,000	19,000	
Bonneville Power Administration, Administrator.	14,800	17,500	17,000	
Commissioner of Reclamation-----	14,800	17,500	17,000	

See footnotes at end of table, p. 6.

TABLE A.—*Positions by department and agency*—Continued

EXECUTIVE DEPARTMENTS—Continued

Position	Salary			Views of department or agency
	Present	S. 2628	H. R. 7619	
Justice, Department of:				
Attorney General.....	\$22,500	\$25,000	\$25,000	
Director, Federal Bureau of Investigation.....	20,000	22,000	22,000	
Associate Director, Federal Bureau of Investigation.....	17,500	20,000	21,000	
Immigration and Naturalization Service, Commissioner.....	17,500	20,000	19,000	
Bureau of Prisons, Director.....	17,500	17,500	17,000	
Labor, Department of:				
Secretary.....	22,500	25,000	25,000	Favors S. 2628.
Under Secretary.....	17,500	21,000	21,000	
Assistant Secretaries (3).....	15,000	20,000	19,000	
Wage and Hour Division, Administrator.....	15,000	20,000	19,000	
Post Office, Department of:				
Postmaster General.....	22,500	25,000	25,000	Favors S. 2628.
Deputy Postmaster General.....	17,500	21,000	21,000	
Assistant Postmasters General (5).....	15,000	20,000	19,000	
State, Department of:				
Secretary.....	22,500	25,000	25,000	No reply to request for views.
Under Secretary.....	17,500	22,500	22,500	
Deputy Under Secretaries (3).....	15,000	20,500	20,000	
Assistant Secretaries (10).....	15,000	20,000	19,000	
Bureau of Security and Consular Affairs, Administrator.....	15,000	20,000	19,000	
Counselor.....	15,000	20,000	19,000	
Treasury, Department of the:				
Secretary.....	22,500	25,000	25,000	Favors S. 2628.
Under Secretary.....	17,500	21,000	21,000	
Under Secretary for Monetary Affairs.....	17,500	21,000	21,000	
Comptroller of the Currency.....	16,000	20,500	20,000	
Assistant Secretaries (3).....	15,000	20,000	19,000	
Fiscal Assistant Secretary.....	15,000	20,000	19,000	
Internal Revenue Commissioner.....	15,000	20,000	19,000	
Customs, Commissioner.....	14,800	17,500	17,000	
Narcotics, Commissioner.....	14,800	17,500	17,000	

EXECUTIVE OFFICE OF THE PRESIDENT

Administrative assistants (2).....	\$20,000	\$22,500	\$22,500	
Administrative assistants (3).....	18,000	21,000	21,000	
Administrative assistants (7).....	15,000	20,000	19,000	
Budget, Bureau of the:				
Director.....	17,500	25,000	22,500	Favors S. 2628.
Deputy Director.....	16,000	20,500	20,000	
Assistant Directors (2).....	15,000	20,000	19,000	
Central Intelligence Agency:				(>)
Director.....	16,000	22,000	22,000	
Deputy Director.....	14,800	20,000	20,000	
Council of Economic Advisers:				
Chairman.....	16,000	21,000	21,000	
Members (2).....	16,000	20,500	20,000	
Defense Mobilization, Office of:				
Director.....	22,500	25,000	22,500	
Deputy Director.....	17,500	21,000	21,000	

LEGISLATIVE, JUDICIAL, AND INDEPENDENT AGENCIES

Administrative Office of the United States Court: Director.....	\$15,000	\$20,000	\$19,000	Suggested amendment included in exhibit 3, p. 13.
Court of Claims, United States: Commissioners (12).....	14,800	17,500	17,500	Favors S. 2628; amendments to S. 2628 included as exhibit 4, p. 14.
Export-Import Bank of Washington:				
President.....	17,500	21,000	21,000	
First Vice President.....	16,000	20,500	20,000	
Directors (3).....	15,000	20,000	19,000	
Farm Credit Administration: Governor.....	217,500	21,000	21,000	Favors S. 2628; amendment included as exhibit 5, p. 18. No reply to request for views.
Federal Civil Defense Administration:				
Administrator.....	17,500	21,000	21,000	
Deputy Administrator.....	16,000	20,500	20,000	

See footnotes at end of table, p. 6.

TABLE A.—*Positions by department and agency—Continued*
 LEGISLATIVE, JUDICIAL, AND INDEPENDENT AGENCIES—Continued

Position	Salary			Views of department or agency
	Present	S. 2628	H. R. 7619	
Federal Deposit Insurance Corporation:				
Chairman.....	\$16,000	\$21,000	\$20,500	
Director (1).....	16,000	20,500	20,000	Favors S. 2628; suggested amendment included in exhibit 6, p. 18.
Federal Mediation and Conciliation Service:				
Director.....	16,000	20,500	20,000	Favors S. 2628.
Associate Director.....	14,800	17,500	17,500	
Federal Reserve System:				
Chairman, Board of Governors.....	16,000	21,000	20,500	Suggested amendments included in exhibit 7, p. 19.
Members, Board of Governors (6).....	16,000	20,500	20,000	
General Accounting Office:				
Comptroller General.....	17,500	22,500	22,500	
Assistant Comptroller General.....	16,000	20,500	20,000	Favors S. 2628.
General Counsel, Legal Adviser, or Solicitor of an executive department (excluding Department of Justice) when required to be appointed by the President (6 positions):				
3 at.....	14,800	{ 20,000	19,000	
3 at.....	15,000			Several proposals that S. 2628 be amended to remove restrictions limiting salary to Presidential appointees.
General Services Administration:				No reply to request for views.
Administrator.....	17,500	21,000	21,000	
Deputy Administrator.....	15,000	20,000	19,000	
Archivist.....	15,000	20,000	19,000	
Federal Supply Service, Commissioner.....	14,800	17,500	17,000	
Public Building Service, Commissioner.....	14,800	17,500	17,000	
Government Printing Office:				
Public Printer.....	15,000	20,000	19,000	
Deputy Public Printer.....	14,800	17,500	17,500	
Governors:				
Canal Zone.....	15,000	20,000	19,000	
Alaska ⁴	15,000	20,000	19,000	
Hawaii ⁴	15,000	20,000	19,000	
Virgin Islands ⁴	15,000	20,000	19,000	
Housing and Home Finance Agency:				
Administrator.....	17,500	21,000	21,000	
Deputy Administrator.....	15,000	20,000	19,000	
Commissioner, Community Facilities Administration.....	15,000	20,000	(¹)	
Commissioner, Federal Housing Administration.....	15,000	20,000	19,000	
Commissioner, Public Housing Administration.....	15,000	20,000	19,000	
Commissioner, Urban Renewal Administration.....	15,000	20,000	17,000	
President, Federal National Mortgage Association.....	15,000	20,000	19,000	
Indian Claims Commission: Commissioners (3).	14,800	17,500	17,500	
International Cooperation Administration:				
Director.....	17,500	21,000	21,000	
Under Reorganization Plan No. 7, 1953, sec. 1 (d): 6 positions.....	{ 15,000 16,000	20,000 20,500	19,000 (⁴)	
Under Mutual Security Act of 1954: (Not to exceed 35 positions above GS-15 of which not to exceed 15 may be in excess of GS-18 but not in excess of \$15,000):				
Not to exceed 15 positions between—GS-18 and \$15,000.....	{ 14,800 15,000	17,500 20,000	----- 19,000	
Not less than 20 positions between—GS-15 and GS-18.....	{ 12,690 14,800	12,690 17,500	12,690 17,500	
Joint Committee on Internal Revenue Taxation: Chief of staff.....	16,125	17,500	(¹)	
Library of Congress:				
Librarian.....	15,000	20,000	19,000	
Chief Assistant Librarian.....	14,800	17,500	17,500	
National Advisory Committee for Aeronautics: Director.....	17,500	20,000	19,000	Suggested amendments included in exhibit 9, p. 23.
National Science Foundation: Director.....	15,000	20,000	19,000	

See footnotes at end of table, p. 6.

TABLE A.—*Positions by department and agency—Continued*
LEGISLATIVE, JUDICIAL, AND INDEPENDENT AGENCIES—Continued

Position	Salary			Views of department or agency
	Present	S. 2628	H. R. 7619	
St. Lawrence Seaway Development Corporation:				
Administrator-----	\$17,500	\$20,000	\$19,000	
Deputy Administrator-----	16,000	17,500	17,000	
Selective Service System: Director-----	14,800	20,000	17,500	Favors S. 2628 for reasons set forth in exhibit 10, p. 24.
Small Business Administration:				
Administrator-----	17,500	20,000	19,000	Suggested amendments included in exhibit 11, p. 25.
Deputy Administrator (3)-----	15,000	17,500	17,000	
UNESCO—General Conference:				
Representatives (not to exceed 5)-----	² 12,000	² 15,000	(1)	
Alternates (not to exceed 5)-----	² 12,000	² 15,000	(1)	
United States Information Agency:				
Director-----	17,500	21,000	21,000	Favors S. 2628.
Deputy Director-----	16,000	20,500	20,000	
Veterans' Administration:				
Administrator-----	17,500	22,000	21,000	Favors S. 2628.
Deputy Administrator-----	16,000	21,000	20,000	
Chief Medical Director-----	16,800	17,800	17,800	
Deputy Chief Medical Director-----	15,800	16,800	16,800	
Assistant Chief Medical Director (8)-----	14,800	15,800	15,800	

BOARDS AND COMMISSIONS

Civil Aeronautics Board:				
Chairman-----	\$15,000	\$20,500	\$19,500	Favors S. 2628.
Members (4)-----	15,000	20,000	19,000	
Civil Service Commission:				
Chairman-----	16,000	20,500	20,000	Favors S. 2628.
Members (2)-----	15,000	20,000	19,000	
Federal Communications Commission:				
Chairman-----	15,000	20,500	19,500	Favors S. 2628.
Members (6)-----	15,000	20,000	19,000	
Federal Maritime Board:				
Chairman-----	16,000	20,500	20,000	
Members (2)-----	15,000	20,000	19,000	
Federal Power Commission:				
Chairman-----	15,000	20,500	19,500	Favors S. 2628.
Members (4)-----	15,000	20,000	19,000	
Federal Trade Commission:				
Chairman-----	15,000	20,500	19,500	
Members (4)-----	15,000	20,000	19,000	
Foreign Claims Settlement Commission:				
Chairman-----	15,000	20,500	19,500	
Members (2)-----	15,000	20,000	19,000	
Home Loan Bank Board:				
Chairman-----	15,000	20,500	19,500	
Members (2)-----	15,000	20,000	19,000	
Interstate Commerce Commission:				
Chairman-----	15,000	20,500	19,500	Opposed to either bill. Favors action as outlined in exhibit 12, p. 26.
Members (10)-----	15,000	20,000	19,000	
National Labor Relations Board:				
Chairman-----	15,000	20,500	19,500	Favors S. 2628 if retroactive pay to March, 1955. Views expressed in exhibit 13, p. 28.
Members (4)-----	15,000	20,000	19,000	
General Counsel-----	15,000	20,000	19,000	
National Mediation Board:				
Chairman-----	15,000	20,500	19,500	
Members (2)-----	15,000	20,000	19,000	
Railroad Retirement Board:				
Chairman-----	15,000	20,500	19,500	Favors S. 2628.
Members (2)-----	15,000	20,000	19,000	
Renegotiation Board:				
Chairman-----	17,500	21,000	21,000	
Members (4)-----	15,000	20,000	19,000	
Securities and Exchange Commission:				
Chairman-----	15,000	20,500	19,500	
Members (4)-----	15,000	20,000	19,000	
Subversive Activities Control Board:				
Chairman-----	15,000	20,500	19,500	
Members (4)-----	15,000	20,000	19,000	

See footnotes at end of table, p. 6.

TABLE A.—*Positions by department and agency*—Continued

BOARDS AND COMMISSIONS—Continued

Position	Salary			Views of department or agency
	Present	S. 2628	H. R. 7619	
Tennessee Valley Authority, board of Directors:				
Chairman.....	\$15,000 15,000	\$20,500 20,000	\$19,500 19,000	Either bill acceptable.
Members (2).....				
U. S. Tariff Commission:				
Chairman.....	15,000	20,500	19,500	Favors S. 2628.
Members (5).....	15,000	20,000	19,000	

¹ Not included.² Not to exceed.³ H. R. 7619 does not limit coverage to Presidential appointees.⁴ Position under the Interior Department.⁵ Under S. 2628, sec. 204, each of these 6 positions shall receive compensation "at a rate not less than that of Assistant Secretaries of State nor more than that of Deputy Under Secretaries of State" (\$20,000 to \$20,500).

H. R. 7619, sec. 107 (a) (54), provides for "ten Assistant Directors, International Cooperation Administration, designated under section 1 (d) of Reorganization Plan No. 7 of 1953 and section 527 (b) of the Mutual Security Act of 1954, respectively."

TABLE B.—*Positions grouped by salary level under S. 2628*

GROUP 1—\$25,000 LEVEL

Position	Present rate	S. 2628		H. R. 7619	
		Section	Rate	Section	Rate
Attorney General	\$22,500	102 (a)	\$25,000	101	\$25,000
Director, Bureau of the Budget	17,500	102 (a)	25,000	102	22,500
Director, Office of Defense Mobilization	22,500	202 (A)	25,000	102	22,500
Postmaster General	22,500	102 (a)	25,000	101	25,000
Secretary of Agriculture	22,500	102 (a)	25,000	101	25,000
Secretary of Commerce	22,500	102 (a)	25,000	101	25,000
Secretary of Defense	22,500	102 (a)	25,000	101	25,000
Secretary of Health, Education, and Welfare	22,500	102 (a)	25,000	101	25,000
Secretary of Interior	22,500	102 (a)	25,000	101	25,000
Secretary of Labor	22,500	102 (a)	25,000	101	25,000
Secretary of State	22,500	102 (a)	25,000	101	25,000
Secretary of Treasury	22,500	102 (a)	25,000	101	25,000
<i>Chairman AEC</i>	<i>20,000</i>		<i>25,000</i>		

GROUP 2—\$22,500 LEVEL

Administrative Assistants to the President (2)	\$20,000	102 (b)	\$22,500	104	\$22,500
Comptroller General	17,500	102 (a)	22,500	102	22,500
Deputy Secretary of Defense	20,000	102 (a)	22,500	102	22,500
Under Secretary of State	17,500	102 (a)	22,500	102	22,500
<i>A.E. Commissioners (4)</i>	<i>18,000</i>		<i>22,500</i>		
<i>General Manager of AEC</i>	<i>20,000 (P/Ax.)</i>		<i>22,500 (P/Ax.)</i>		

GROUP 3—\$22,000 LEVEL

Administrator of Veterans' Affairs	\$17,500	102 (a)	\$22,000	105	\$21,000
Director of Central Intelligence	16,000	102 (a)	\$22,000	103	22,000
Director, Federal Bureau of Investigation	20,000	102 (a)	22,000	103	22,000
Secretary of Air Force	18,000	102 (a)	22,000	103	22,000
Secretary of Army	18,000	102 (a)	22,000	103	22,000
Secretary of Navy	18,000	102 (a)	22,000	103	22,000

GROUP 4—\$21,000 LEVEL

<i>Deputy General Manager of AEC</i>			<i>21,000 (P/Ax.)</i>		
Administrative Assistants to the President (3)	\$18,000	102 (b)	\$21,000	104	\$21,000
Administrator, Federal Civil Defense Administration	17,500	202 (D)	21,000	105 (8)	21,000
Administrator of General Services	17,500	102 (c)	21,000	105 (4)	21,000
Administrator of Housing and Home Finance Agency	17,500	102 (c)	21,000	105 (5)	21,000
Deputy Administrator of Veterans' Affairs	16,000	102 (c)	21,000	106 (6)	20,000
Deputy Director, Office of Defense Mobilization	17,500	202 (I)	21,000	105 (7)	21,000
Deputy Postmaster General	17,500	102 (c)	21,000	105 (2)	21,000
Director, International Cooperation Administration	17,500	102 (c)	21,000	105 (6)	21,000
Director, U. S. Information Agency	17,500	202 (D)	21,000	105 (10)	21,000
Governor, Farm Credit Administration	17,500	202 (D)	21,000	105 (12)	21,000
President, Export-Import Bank of Washington	17,500	202 (D)	21,000	105 (11)	21,000
Under Secretary of Agriculture	17,500	102 (c)	21,000	105 (1)	21,000
Under Secretary of Commerce	17,500	102 (c)	21,000	105 (1)	21,000
Under Secretary of Transportation	17,500	102 (c)	21,000	105 (1)	21,000
Under Secretary of Health, Education, and Welfare	17,500	102 (c)	21,000	105 (1)	21,000
Under Secretary of the Interior	17,500	102 (c)	21,000	105 (1)	21,000
Under Secretary of Labor	17,500	102 (c)	21,000	105 (1)	21,000
Under Secretary of the Treasury	17,500	102 (c)	21,000	105 (1)	21,000
Under Secretary of the Treasury for Monetary Affairs	17,500	102 (c)	21,000	105 (1)	21,000
Chairman, Board of Directors, Federal Deposit Insurance Corporation	16,000	103	21,000	{ 106 (11) and 110 }	20,500
Chairman, Board of Governors, Federal Reserve System	16,000	103	21,000	{ 106 (10) and 110 }	20,500
Chairman, Council of Economic Advisers	16,000	103	21,000	106 (13)	21,000
Chairman of the Renegotiation Board	17,500	202 (D)	21,000	105 (9)	21,000

See footnotes at end of table, p. 11.

Note: House Task Force says DCI should be at least with
 Deputy Sec Defense, DCI with Undersecretaries of CEC
 DCPA

TABLE B.—*Positions grouped by salary level under S. 2628—Continued*

GROUP 5—\$20,500 LEVEL

Position	Present rate	S. 2028		H. R. 7619	
		Section	Rate	Section	Rate
Assistant Comptroller General.....	\$16,000	102 (d)	\$20,500	106 (1)	\$20,000
Comptroller of the Currency.....	16,000	102 (d)	20,500	106 (12)	20,000
Deputy Administrator, Federal Civil Defense Ad- ministration.....	16,000	202 (E)	20,500	106 (17)	20,000
Deputy Director, Bureau of the Budget.....	16,000	102 (d)	20,500	106 (2)	20,000
Deputy Director, U. S. Information Agency.....	16,000	202 (E)	20,500	106 (16)	20,000
Deputy Under Secretary, Department of State (3).....	15,000	102 (d)	20,500	106 (13)	20,000
Director, Federal Mediation and Conciliation Service.....	16,000	102 (d)	20,500	106 (7)	20,000
First Vice President, Export-Import Bank of Wash- ington.....	16,000	202 (E)	20,500	106 (14)	20,000
Members of Board of Directors, Federal Deposit Insurance Corporation (1).....	16,000	102 (d)	20,500	106 (11)	20,000
Members of Board of Governors, Federal Reserve System (6).....	16,000	102 (d)	20,500	106 (10)	20,000
Members of the Council of Economic Advisers (2).....	16,000	102 (d)	20,500	106 (9)	20,000
Chairman, Civil Aeronautics Board.....	15,000	103	20,500	110	19,500
Chairman, Civil Service Commission.....	16,000	102 (d)	20,500	106 (8)	20,000
Chairman, Federal Communications Commission.....	15,000	103	20,500	110	19,500
Chairman, Federal Maritime Board.....	16,000	103	20,500	106 (15)	20,000
Chairman, Federal Power Commission.....	15,000	103	20,500	110	19,500
Chairman, Federal Trade Commission.....	15,000	103	20,500	110	19,500
Chairman, Foreign Claims Settlement Commission.....	15,000	103	20,500	110	19,500
Chairman, Home Loan Bank Board.....	15,000	103	20,500	110	19,500
Chairman, Interstate Commerce Commission.....	15,000	103	20,500	110	19,500
Chairman, National Labor Relations Board.....	15,000	103	20,500	110	19,500
Chairman, National Mediation Board.....	15,000	103	20,500	110	19,500
Chairman, Railroad Retirement Board.....	15,000	103	20,500	110	19,500
Chairman, Securities and Exchange Commission.....	15,000	103	20,500	110	19,500
Chairman, Subversive Activities Control Board.....	15,000	103	20,500	110	19,500
Chairman, Board of Directors, Tennessee Valley Authority.....	15,000	103	20,500	110	19,500
Chairman, U. S. Tariff Commission.....	15,000	103	20,500	110	19,500

GROUP 6—\$20,000 LEVEL

<i>Assistant General Managers, AEC (3)</i>			<i>20,000 (MAX.)</i>	
Administrative assistants and Staff assistants to the President (7).....	\$15,000	103 (b)	\$20,000	104
Administrator, Bureau of Security and Consular Affairs, State Department.....	15,000	202 (F)	20,000	107 (44)
Administrator, Civil Aeronautics.....	15,000	102 (e)	20,000	107 (24)
Administrator, Commodity Stabilization Service *	15,000	102 (e)	20,000	(?)
Administrator, Rural Electrification Administration.....	15,000	102 (e)	20,000	107 (25)
Administrator, Small Business Administration.....	17,500	102 (e)	20,000	107 (56)
Administrator, St. Lawrence Seaway Development Corporation.....	17,500	102 (e)	20,000	107 (55)
Administrator, Wage and Hour Division, Depart- ment of Labor.....	15,000	202 (F)	20,000	107 (50)
Archivist of the United States.....	15,000	102 (e)	20,000	107 (20)
Assistant Directors, Bureau of the Budget (2).....	15,000	202 (F)	20,000	107 (48)
Assistant Postmasters General (5).....	15,000	102 (e)	20,000	107 (3)
Assistant Secretaries of Agriculture (3).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of Commerce (3).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of Defense (9).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of Health, Education, and Welfare (2).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of Interior (3).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of Labor (3).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of State (10).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of Treasury (8).....	15,000	102 (e)	20,000	107 (2)
Assistant Secretaries of Air Force (4).....	15,000	202 (F)	20,000	107 (41)
Assistant Secretaries of Army (4).....	15,000	202 (F)	20,000	107 (39)
Assistant Secretaries of Navy (4).....	15,000	202 (F)	20,000	107 (40)
Associate Director, Federal Bureau of Investigation.....	17,500	102 (e)	20,000	105 (14)
Chairman, Military Liaison Committee, AEC, Department of Defense.....	15,000	202 (F)	20,000	107 (43)
Commissioner, Community Facilities, Housing and Home Finance Agency.....	15,000	202 (F)	20,000	(?)
Commissioner, Federal Housing Administration.....	15,000	202 (F)	20,000	107 (38)
Commissioner, Immigration and Naturalization.....	17,500	102 (e)	20,000	107 (22)
Commissioner, Internal Revenue.....	15,000	102 (e)	20,000	107 (21)
Commissioner, Public Housing Administration.....	15,000	202 (F)	20,000	107 (37)
Commissioner, Public Roads.....	15,000	102 (e)	20,000	107 (23)
Commissioner, Urban Renewal Administration.....	15,000	202 (F)	20,000	109 (11)
Counselor of the Department of State.....	15,000	102 (e)	20,000	107 (26)
Deputy Administrator, Housing and Home Finance Agency.....	15,000	202 (F)	20,000	107 (35)

See footnotes at end of table, p. 11.

TABLE B.—*Positions grouped by salary level under S. 2628—Continued*

GROUP 6—\$20,000 LEVEL—Continued

Position	Present rate	S. 2628		H. R. 7619	
		Section	Rate	Section	Rate
Deputy Administrator, General Services Administration.	\$15,000	102 (e)	\$20,000	107 (19)	\$19,000
Deputy Director, Central Intelligence Agency	14,800	102 (e)	20,000	106 (19)	20,000
Director, Administrative Office of the United States Courts.	15,000	102 (f)	20,000	107 (b)	19,000
Director, National Advisory Committee for Aero-nautics.	17,500	102 (e)	20,000	107 (5)	19,000
Director, National Science Foundation	15,000	202 (F)	20,000	107 (51)	19,000
Director of Selective Service	14,800	102 (e)	20,000	108 (2)	17,500
Fiscal Assistant Secretary of the Treasury	15,000	102 (e)	20,000	107 (4)	19,000
General Counsel, National Labor Relations Board	15,000	102 (e)	20,000	107 (18)	19,000
Governor of Alaska	15,000	102 (e)	20,000	107 (27)	19,000
Governor of the Canal Zone	15,000	102 (e)	20,000	107 (30)	19,000
Governor of Hawaii	15,000	102 (e)	20,000	107 (28)	19,000
Governor of the Virgin Islands	15,000	102 (e)	20,000	107 (29)	19,000
Librarian of Congress	15,000	102 (E)	20,000	107 (32)	19,000
President, Federal National Mortgage Association	15,000	202 (F)	20,000	107 (34)	19,000
Public Printer	15,000	102 (E)	20,000	107 (31)	19,000
Special assistant to the Secretary, Department of Health, Education, and Welfare.	15,000	202 (F)	20,000	107 (42)	19,000
Under Secretary of the Air Force	15,000	202 (F)	20,000	106 (5)	20,000
Under Secretary of the Army	15,000	202 (F)	20,000	106 (3)	20,000
Under Secretary of the Navy	15,000	202 (F)	20,000	106 (4)	20,000
Legal adviser, solicitor, or general counsel of an executive department (excluding Department of Justice) when required to be appointed by the President:					
3 at	14,800	102 (E)	20,000	107 (53)	\$ 19,000
Do	15,000	102 (E)	20,000	107 (53)	19,000
Members of boards and commissions (excluding chairmen):					
Civil Aeronautics Board (4)	15,000	102 (e)	20,000	107 (6)	19,000
Civil Service Commission (2)	15,000	102 (e)	20,000	107 (16)	19,000
Board of Directors, Export-Import Bank of Washington (3)	15,000	202 (F)	20,000	107 (46)	19,000
Federal Communications Commission (6)	15,000	102 (e)	20,000	107 (7)	19,000
Federal Maritime Board (2)	15,000	202 (F)	20,000	107 (47)	19,000
Foreign Claims Settlement Commission (2)	15,000	202 (F)	20,000	107 (46)	19,000
Federal Power Commission (4)	15,000	102 (e)	20,000	107 (8)	19,000
Federal Trade Commission (4)	15,000	102 (e)	20,000	107 (9)	19,000
Home Loan Bank Board (2)	15,000	202 (F)	20,000	107 (36)	19,000
Interstate Commerce Commission (10)	15,000	102 (e)	20,000	107 (10)	19,000
National Labor Relations Board (4)	15,000	102 (e)	20,000	107 (11)	19,000
National Mediation Board (2)	15,000	102 (e)	20,000	107 (12)	19,000
Railroad Retirement Board (2)	15,000	102 (e)	20,000	107 (13)	19,000
Renegotiation Board (4)	15,000	202 (F)	20,000	107 (49)	19,000
Securities and Exchange Commission (4)	15,000	102 (e)	20,000	107 (14)	19,000
Subversive Activities Control Board (4)	15,000	202 (F)	20,000	107 (52)	19,000
Board of Directors, Tennessee Valley Authority (2)	15,000	102 (e)	20,000	107 (15)	19,000
U. S. Tariff Commission (5)	15,000	102 (e)	20,000	107 (17)	19,000
<i>General Counsel, AEC</i>	<i>16,000</i>	<i>(max.)</i>	<i>20,000 (max.)</i>		

GROUP 7—\$17,500 LEVEL

Administrator, Bonneville Power Administration	\$14,800	102 (g)	\$17,500	109 (9)	\$17,000
Administrator, Farmers' Home Administration	14,800	102 (g)	17,500	(?)	(?)
Administrator, Soil Conservation Service, Department of Agriculture	14,800	102 (g)	17,500	(?)	(?)
Associate Director, Federal Mediation and Conciliation Service	14,800	102 (g)	17,500	108 (1)	17,500
Chief Assistant Librarian of Congress	14,800	102 (g)	17,500	108 (6)	17,500
Chief Forester of the Forest Service, Department of Agriculture	14,800	102 (g)	17,500	(?)	(?)
Chief of staff, Joint Committee on Internal Revenue Taxation	16,125	102 (g)	17,500	(?)	(?)
Commissioner of Customs	14,800	102 (g)	17,500	109 (7)	17,000
Commissioner, Federal Supply Service, General services Administration	14,800	102 (g)	17,500	109 (2)	17,000
Commissioner, Indian Claims Commission (3)	14,800	102 (g)	17,500	108 (3)	17,500
Commissioner, Narcotics	14,800	102 (g)	17,500	109 (8)	17,000
Commissioner, Public Building Service	14,800	102 (g)	17,500	109 (4)	17,000
Commissioner of Reclamation	14,800	102 (g)	17,500	109 (6)	17,000
Commissioner of Social Security	14,800	102 (g)	17,500	109 (5)	17,000
Commissioner, U. S. Court of Claims (12)	14,800	102 (g)	17,500	108 (4)	17,000
Deputy Administrator, Small Business Administration (3)	15,000	102 (g)	\$ 17,500	109 (13)	17,000

See footnotes at end of table, p. 11.

→ Program Director Director, AEC \$16,000 \$18,500 max.
 → Chief, Executive Director, AEC 16,000 \$18,500 max.
 6 other Executive Management Positions, AEC
 Director & Technical Personnel \$18,500 (max.)
 \$18,500 (max.)

TABLE B.—*Positions grouped by salary level under S. 2628—Continued*

GROUP 7—\$17,500 LEVEL—Continued

Position	Present rate	S. 2628		H. R. 7619	
		Section	Rate	Section	Rate
Deputy Administrator, St. Lawrence Seaway Development Corporation.	\$16,000	102 (g)	\$ 17,500	109 (10)	\$17,000
Deputy Public Printer.....	14,800	102 (g)	17,500	108 (7)	17,500
Director, Bureau of Prisons.....	17,500	102 (g)	17,500	109 (3)	17,000
Manager, Federal Crop Insurance Corporation, Department of Agriculture.	14,800	102 (g)	17,500	(?)	(?)

GROUP 8—TITLE II. STATUTORY SALARY RATE AMENDMENTS OF 1955

International Cooperation Administration under Reorganization Plan No. 7, 1953, sec. 1 (d); 6 positions	{ \$15,000 16,000 }	204	{ \$20,000 20,500 }	107 (54)	{ \$19,000 19,000 }
UNESCO, General Conference:					
Representatives (not to exceed 5).....	12,000	205	15,000	(?)	(?)
Alternates (not to exceed 5).....	12,000	205	15,000	(?)	(?)
Mutual Security Act of 1954 not to exceed 35 positions above GS-15, of which not to exceed 15 may be in excess of GS-18 but not in excess of \$15,000:					
At least 20 positions between—GS-15 and GS-18.....	{ 12,690 14,800 }	206	{ 12,690 17,500 }	201	17,500
Not to exceed 15 positions between—GS-18 and \$15,000.....	{ 14,800 15,000 }	206	{ 17,500 20,000 }	107 (54)	19,000

GROUP 9—TITLE III. CLASSIFICATION ACT AMENDMENTS OF 1955

GS-17.....	\$13,975 14,190 14,405 14,620	302 (a) 302 (a) 302 (a) 302 (a)	\$13,975 14,190 14,405 14,620	201 (a) 201 (a) 201 (a) 201 (a)	\$13,975 14,190 14,405 14,620
GS-18.....	14,800	302 (a) 302 (a) 302 (a) 302 (a)	16,000 16,500 17,000 17,500	201 (a) 201 (a) 201 (a) 201 (a)	16,000

GROUP 10—TITLE IV. FOREIGN SERVICE ACT AMENDMENTS OF 1955

Chiefs of mission:					
Class 1.....	\$25,000	402	\$27,500	(?)	(?)
Class 2.....	20,000	402	25,000	(?)	(?)
Class 3.....	17,500	402	22,500	(?)	(?)
Class 4.....	15,000	402	20,000	(?)	(?)
Career ambassador.....	15,000	202 (F)	20,000	(?)	(?)
Career ministers.....	14,800	403	17,500	(?)	(?)
Foreign Service officers:					
Class 1.....	13,760		14,500	(?)	(?)
	14,190		15,000	(?)	(?)
	14,620		15,500	(?)	(?)
	14,800		16,000	(?)	(?)
			16,500	(?)	(?)
Class 2.....	11,965		12,000	(?)	(?)
	11,990		(?)	(?)	(?)
	12,365		12,400	(?)	(?)
	12,740		12,800	(?)	(?)
	13,115		13,200	(?)	(?)
	13,495		13,600	(?)	(?)
	13,655		14,000	(?)	(?)

See footnotes at end of table, p. 11.

TABLE B.—*Positions grouped by salary level under S. 2628—Continued*

GROUP 11—TITLE V. POSTAL FIELD SERVICE AMENDMENTS OF 1955

Position	Present rate	S. 2628		H. R. 7619	
		Section	Rate	Section	Rate
Grade 18.....	\$12,500	502	\$12,800	202	\$12,800
	12,800	502	13,100	202	13,100
	13,100	502	13,400	202	13,400
	13,400	502	13,700	202	13,700
	13,700	502	14,000	202	14,000
	14,000	502	14,300	202	14,300
	14,300	502	14,600	202	14,600
Grade 19.....	13,600	502	14,000	202	14,000
	13,900	502	14,300	202	14,300
	14,200	502	14,600	202	14,600
	14,500	502	14,900	202	14,900
	14,800	502	15,200	202	15,200
		502	15,500	(7)	(7)
		502	15,800	(7)	(7)
Grade 20.....	14,800	502	16,000	202	16,000
		502	16,300		
			16,600		
			16,900		
			11 17,200		

GROUP 12—TITLE VI. VETERANS' ADMINISTRATION MEDICINE AND SURGERY AMENDMENTS OF 1955

Chief Medical Director.....	\$16,800	602 (a)	\$17,800	203 (2)	\$17,800
Deputy Chief Medical Director.....	15,800	602 (b)	16,800	203 (3)	16,800
Assistant Chief Medical Director (8).....	14,800	602 (c)	15,800	203 (4)	15,800

GROUP 13—TITLE VII. RESEARCH AND DEVELOPMENT SALARY AMENDMENTS OF 1955

Scientific or professional personnel:					
Department of Agriculture (5).....	1 \$15,000	704	1 \$17,500	204 (c)	\$17,500
Department of the Air Force (13).....	1 15,000	.....	1 17,500	204 (a)	17,500
Department of the Army (13).....	1 15,000	.....	1 17,500	204 (a)	17,500
Department of the Navy (13).....	1 15,000	.....	1 17,500	204 (a)	17,500
National Advisory Committee for Aeronautics (10).....	1 15,000	.....	1 17,500	204 (a)	17,500
Office of Secretary, Department of Defense (6).....	1 15,000	.....	1 17,500	204 (a)	17,500
U. S. Public Health Service (60).....	1 15,000	.....	1 17,500	204 (b)	17,500

¹ Not to exceed.² Administration proposal \$21,000.³ Administration proposal \$20,500.⁴ Administration proposal, \$20,500.⁵ Sec. 106 (11) gives members \$20,000 and sec. 110 gives chairman \$500 more.⁶ Sec. 106 (10) gives members \$20,000 and sec. 110 gives chairman \$500 more.⁷ Formerly Administrator, Production and Marketing Administration.⁸ Not included.⁹ H. R. 7619 doesn't limit coverage to Presidential appointees, so 3 additional legal positions (Department of Agriculture, Post Office, and Health, Education, and Welfare) are included.¹⁰ Administration's proposal, \$20,000.¹¹ Under S. 2628, sec. 204, each of these 6 positions shall receive compensation "at a rate not less than that of Assistant Secretaries of State nor more than that of Deputy Under Secretaries of State" (\$20,000 to \$20,500).¹² H. R. 7619, sec. 107 (a) (5), provides for "ten Assistant Directors, International Cooperation Administration, designated under section 1 (d) of Reorganization Plan No. 7 of 1953 and section 527 (b) of the Mutual Security Act of 1954, respectively."¹³ Administration recommended an additional step increase to \$17,500.

EXHIBIT 1

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., February 27, 1956.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service,
United States Senate.

DEAR SENATOR JOHNSTON: This is in reply to your request of January 12, 1956, for a report on H. R. 7619 and S. 2628, the executive pay bills of 1955.

We favor S. 2628 and recommend that it be enacted rather than H. R. 7619 because the House bill would result in the loss of present Executive Pay Act authority on 5 of 6 agency head positions in the Department. This would bring about a situation on salary relationships among the top positions of these agencies under which certain subordinate positions would be paid more than the agency head in each instance. The Senate bill, on the other hand, avoids this rather severe salary distortion. Passage of the Senate bill would also provide for needed improvement in salary levels for top executive positions which have not been adjusted since 1949. Pay increases since that time have been applicable only to positions under the Classification Act with the result that top-level executive salaries do not adequately reflect the higher level responsibilities exercised by such executives. In addition, the Senate bill would provide an increase in salary which we feel is essential in the retention and recruitment of outstanding individuals for executive positions in this Department.

The Senate bill covers six of the agency-head positions in this Department (Commodity Stabilization Service, Farmers' Home Administration, Rural Electrification Administration, Federal Crop Insurance Corporation, Forest Service, and Soil Conservation Service) which are now under the Executive Pay Act of 1949, as amended, only one of which is included in the House bill. It proposes \$17,500 as the salary for each of these positions except those of Administrator, Commodity Stabilization Service, and Administrator, Rural Electrification Administration, for which \$20,000 would be paid under section 202 of the bill.

Both House and Senate bills would add a rate of \$14,835 as a fifth step to the present four-step scale for grade GS-17 of the Classification Act of 1949, as amended. The House bill would increase the rate for GS-18, which is a flat \$14,800 under the present law, to \$16,000. The Senate bill would change this to a scale ranging from \$16,000 at the bottom, through \$500 increments, to \$17,500 at the top.

The enclosed table shows how executive salary rates in this Department would be affected by the two bills.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

Enclosure.

Proposals under executive pay bills of 1955

Title of position	Current salary	H. R. 7619	S. 2628
Secretary.....	\$22,500	\$25,000	\$25,000
Under Secretary.....	17,500	21,000	21,000
3 Assistant Secretaries.....	15,000	19,000	20,000
Administrative Assistant Secretary.....	¹ 14,800	² 16,000	³ 16,000-17,500
Director, Agricultural Credit Services.....	14,800	² 16,000	³ 16,000-17,500
General Counsel.....	¹ 14,800	19,000	³ 16,000-17,500
Administrator, Farmers' Home Administration.....	14,800	(⁴)	17,500
Administrator, Rural Electrification Administration.....	15,000	19,000	20,000
Administrator, Agricultural Marketing Service.....	¹ 14,800	² 16,000	³ 16,000-17,500
Administrator, Agricultural Research Service.....	¹ 14,800	² 16,000	³ 16,000-17,500
Administrator, Commodity Stabilization Service.....	15,000	(⁴)	20,000
Administrator, Federal Extension Service.....	¹ 14,800	² 16,000	³ 16,000-17,500
Administrator, Foreign Agricultural Service.....	¹ 14,800	² 16,000	³ 16,000-17,500
Administrator, Soil Conservation Service.....	14,800	(⁴)	17,500
Chief, Forest Service.....	14,800	(⁴)	17,500
Manager, Federal Crop Insurance Corporation.....	14,800	(⁴)	17,500

¹ Positions presently under the Classification Act of 1949, as amended.

² Flat rate for GS-18 under H. R. 7619.

³ Rate range for GS-18 under S. 2628.

⁴ Under the House bill, these positions would revert to GS-15 at present salary rates of \$14,800 (\$15,000 for Commodity Stabilization Service), unless additional GS-18 positions could be obtained from the CSC which at the present time does not appear possible. However, it appears that present salary rates will be limited to present incumbents of the positions; the present range for GS-15 is \$11,610 to \$12,690.

EXHIBIT 2

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D. C., February 17, 1956.

Hon. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington 25, D. C.*

DEAR MR. CHAIRMAN: This is in response to your request of January 12, 1956, for a report on H. R. 7619, a bill to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, and S. 2628, a bill to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and for other purposes (as referred to your committee on January 5, 1956).

The need for upward adjustments in the salaries of the officials covered by these bills and the President's recommendations in the matter are set forth in the President's letter to you dated July 15, 1955. The President repeated his recommendation for legislation in this area in the message of January 5, 1956, transmitting a report on the state of the Union.

Of the two bills, we believe that S. 2628 would be more nearly in accord with the President's recommendation as to appropriate salaries for these officials. We would like, however, to suggest a technical change in one of the provisions of S. 2628.

Section 102 (g) of the bill, amending section 6 (a) of Public Law 359, 81st Congress, should be amended to reflect a change in the title of the Commissioner of Social Security who is listed among the officers covered by section 6 (a) of Public Law 359 as "the Commissioner for Social Security." The title of this officer was changed from "Commissioner for Social Security" to "Commissioner of Social Security" by section 4 of Reorganization Plan No. 1 of 1953. This correction in title could be accomplished by including "the Commissioner for Social Security" in section 102 (g) (B) of the bill (i. e., among the officers to be stricken from section 6 (a) of Public Law 359) and by including "the Commissioner of Social Security" among the officers referred to in section 102 (g) (C) of the bill to be newly included in section 6 (a) of Public Law 359.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

Sincerely yours,

M. B. FOLSOM, *Secretary.*

EXHIBIT 3

CHARLOTTE, N. C., February 6, 1956.

Hon. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.*

DEAR SENATOR JOHNSTON: You wrote a letter last month to Mr. Henry P. Chandler, Director of the Administrative Office of the United States Courts, requesting his comments on two pending bills, H. R. 7619 and S. 2628, which if enacted would establish new and higher rates of compensation for the more highly paid officers of the Federal Government, the compensation of most of whom is now governed by an act of October 15, 1949 (63 Stat. 880). As a member of the Judicial Conference of the United States, consisting of the Chief Justice of the United States as Chairman, and the presiding judges of the 11 United States courts of appeals, and also as a member of the advisory committee of that body, I am answering your letter in place of Mr. Chandler inasmuch as his salary is one of those that would be affected by the pending legislation.

In behalf of the Judicial Conference of the United States I would request that the salary of the Director of the Administrative Office of the United States Courts which in H. R. 7619 is set at \$19,000 (p. 9, lines 7-11) and in S. 2628 at \$20,000 (p. 4, lines 12-15) be fixed at \$22,500. I would further request that after the provision of fixing the salary of the Director a provision be inserted fixing the salary of the Assistant Director of the Administrative Office of the United States Courts, who presently is Mr. Elmore Whitehurst, at \$20,000. This is in accordance with action of the Judicial Conference of the United States at a meeting held March 24 and 25, 1955. It went on record in favor of substantial increases in the salaries of the Director and the Assistant Director of the Administrative

Office of the United States Courts along with the heads of the divisions of the office, and suggested salaries of \$22,500 for the Director and \$20,000 for the Assistant Director (p. 10 of the March 1955 report of the Judicial Conference, a copy of which is enclosed).

When the Administrative Office of the United States Courts was created in 1939 the salaries of the Director and the Assistant Director were fixed by the statute at \$10,000 and \$7,500 a year respectively (53 Stat. 1223). Ten thousand dollars was then the salary of United States district judges and the statute fulfilled an intention that the salary of the Director should be the same as that of the district judges. The salaries of the district judges were raised to \$15,000 a year by an act of July 31, 1946 (60 Stat. 716-717). An increase in the salary of the Director of the Administrative Office of the United States Courts to that amount by the act commonly termed the Executive Pay Act of 1949 (63 Stat. 880-881) restored the parity in salary between the Director and the district judges. Now that the salaries of the district judges have been again increased by the law of March 2, 1955 (69 Stat. 10) and are \$22,500, I feel that the salary of the Director of the Administrative Office of the United States Courts should be increased to that amount. In view of the nature and difficulty of the responsibilities of the Director which extend to all of the courts of the United States except the Supreme Court his salary should be no less than that of a district judge.

The pending bills omit any reference to the Assistant Director. An increase in his salary was included in the Executive Pay Act of October 15, 1949 (63 Stat. 881) and I submit that he with the Director should be included in the pending legislation. His functions extend over the whole range of the Administrative Office and the statute provides that he shall act as Director when the Director's office is vacant or during the absence or incapacity of the Director (28 U. S. C. 606). His office has increased in importance with the passage of the years; and the Conference was of opinion that the differential of \$2,500 between the salaries of the Director and Assistant Director should be maintained. This would call for a salary of \$20,000 for the Assistant Director as suggested by the Conference. I would suggest that in the pending legislation a salary be provided for him at that amount.

I trust that the amounts recommended which are no more than commensurate with the important and increasing responsibilities of the Director and Assistant Director of the Administrative Office of the United States Courts may receive the favorable consideration of your committee and be authorized by the Congress at its present session.

For your convenience, I am enclosing herewith three copies of the report of the March 1955 meeting of the Judicial Conference of the United States, referring to these salaries on page 10 thereof.

With highest personal regards, I am

Sincerely yours,

JOHN J. PARKER, *United States Circuit Judge.*

EXHIBIT 4

MEMORANDUM RE SALARY ADJUSTMENT FOR COMMISSIONERS OF THE COURT OF CLAIMS

The importance to the Court of Claims of appropriate salary adjustments for the commissioners stems from the reliance the court places and must place upon their work to maintain efficiency in the transaction of the court's business, for the 12 commissioners are its trial judges.

The postwar caseload of the Court of Claims has reflected not only an increase in the number of cases filed but substantial increases as well in their complexity. In order for the court to maintain dispatch in the disposition of such cases, changes were made in 1951 through a revision of the rules, under which the responsibilities of the commissioners are much greater than under practices formerly obtaining.

The discharge of the increased responsibilities of the commissioners requires a high degree of skill and judicial capacity. The responsibilities of and the work performed by the commissioners are in all respects the equivalent of those of other Federal judges whose appointments are for less than life tenure. The salaries of these judges (district judges in some of the territories and possessions, and judges of the Tax Court) are now fixed at \$22,500.

Before the recent congressional-judicial salary increase, the spread between the salaries of the commissioners of the Court of Claims and those of district judges of the United States was \$200. Under present law, the spread is \$7,700. The difference between the salaries of commissioners and judges of the Court of Claims was \$2,700. Now it is \$10,700. Historically, it has never before exceeded \$5,000.

In the interest of maintaining the high caliber of the staff of commissioners the judges of the Court of Claims believe that a differential of more than \$1,000 between the salaries of the commissioners and those of the district judges will not be warranted as a permanent arrangement.

It is therefore suggested that the salaries of the commissioners should be fixed at a figure of not less than \$21,500.

The 12 commissioners of the Court of Claims are its trial judges. In this court, where the United States is always the defendant and where cases are heard and decided without a jury, a case that has gone to judgment is as far along as one that has been heard and decided by a district court and by a circuit court of appeal, since review of judgments of the Court of Claims is by the Supreme Court of the United States upon certiorari.

These 12 commissioners are the only judicial officers other than the judges themselves whose salaries are specifically fixed by statute. They are judicial officers exercising judicial powers in the performance of judicial functions.

The commissioners of the Court of Claims were not included in the congressional-judicial bill because an agreement could not be reached to include them with positions bearing the title of judge. Their omission from the judicial salary bill was thus a result of nomenclature.

The same situation prevented the inclusion of the commissioners in the judicial salary bill in 1948. The adjustment of commissioners' salaries therefore went over until 1949 when they were included in the Executive Pay Act. Their inclusion in that bill was a last-minute development, since the bill had been drawn for the inclusion of officials of the executive branch only. Under the circumstances no complete presentation of the status and work of the commissioners of the Court of Claims was submitted to the Committees on Post Office and Civil Service of either House or Senate. Now that salary adjustments for the commissioners are up again for consideration by these committees in another proposed executive pay bill, it is desired to have available for the committees a clear statement of the duties and functions of these officials and the relation thereof to salary scales.

When the appointment of commissioners was first authorized 30 years ago, their salaries were fixed at a figure \$2,500 below the judges' salaries. An increase in judges' salaries some time later increased the spread to \$5,000. The spread has never exceeded this figure permanently. When the commissioners' salaries were adjusted in 1949, the gap was narrowed to \$3,500 as between judges of the Court of Claims and commissioners, while the difference between these commissioners and the judges of the district courts was \$1,000, and was later narrowed to \$200.

These differentials alone would appear to warrant an adjustment at this time of the commissioners' salaries to a figure within \$5,000 or less of the new scale for the judges of the Court of Claims. If the commissioners' salaries were again fixed at a figure \$1,000 below that of the district judges, their scale would be \$21,500.

Historic differentials in salary scales are not the only consideration, however. There has been a marked development in the functions and responsibility of commissioners of the Court of Claims within the last 5 or 6 years. The efficiency of this method of delegating judicial authority has been greatly improved by revisions in the rules of the court resulting in the discharge of greater responsibilities by the commissioners.

When the Congress in 1948, in the revision of the Judicial Code, authorized any court created by act of Congress to adopt rules of procedure consistent with acts of Congress, the Court of Claims set about promptly to revise its rules in such manner as to adopt or adapt for its use such of the provisions of the Federal Rules of Civil Procedure (approved by the Supreme Court for the district courts of the United States) as were applicable to nonjury trials. The first revision became effective on May 15, 1951. After 2 years of experience with them, further refinements were adopted in October 1953. The new rules have proved as satisfactory in this court as the Federal rules have in the district courts. Judges and counsel alike find them highly useful and usable. Moreover, the new rules have made possible marked improvement in and refinement of proceedings before commissioners.

This is especially true as a result of the use of discovery and pretrial procedures. The essence of these new devices in the Federal rules was the elimination of surprise in adversary litigation. This has made it possible to reduce controversies to their essence in conferences between trial judges (commissioners) and counsel before trial; to dispatch voluminous paperwork (with exhibits) rapidly; to sharpen issues; and to shorten records.

Cases tried in this court often involve days, even weeks, of testimony, dozens (sometimes hundreds, and occasionally thousands) of exhibits, and volumes of stenographically transcribed testimony extending into the thousands of pages. The new rules have not only made it possible for the commissioner to exercise a degree of control over the size and nature of the record that was not possible theretofore; they have enabled him to follow much more closely the development of the case step by step. The end result is a dramatic saving in the time formerly required for the review and analysis of long, involved, complicated records. Under the new practice, the commissioners are able to send to the court shorter records and reports in which the issues have been notably sharpened. These elements relieve the court of much unnecessary detail when a case reaches the stage of exception, argument, review, and final decision.

A marked increase in the responsibility of the commissioners has accompanied this development. Inherent in their reports as refined and developed under the new practice are recommendations for conclusions of law. Unless, therefore, the parties except to the commissioner's report, his conclusion and recommendation become the judgment of the court. The largest judgment ever entered by the Court of Claims resulted from a settlement by the Attorney General with Indian tribal claimants, the settlement being based on the report of a commissioner to which no exceptions were taken by either party.

Cases in the Court of Claims involving substantial sums of money and requiring the development of extensive records are more the rule than the exception. The commissioners of the court spend a substantial amount of their time in the trial of cases which are comparable in length and detail to antitrust litigation and stockholders derivative suits. Such cases require great industry and the utmost in the application of legal ability and judicial acumen. The responsibility of the commissioners is, therefore, comparable to the responsibility of judges of the district courts in the hearing and determination of some of the most complicated litigation in the Federal courts.

The judges of the Court of Claims have a degree of pride in the success of their efforts to make effective use of their authority to delegate judicial powers to judicial officers appointed by them.

It is their opinion that the extent of the responsibilities of the commissioners and the manner in which they are discharging their functions warrants an adjustment of their salaries to a figure within or very close to the former differentials between the salaries of commissioners and other judges.

In this connection the emphasis on percentages in the increases voted in the congressional-judicial salary bill should be placed in perspective. Whereas the increase in the salaries of district judges was 50 percent, the increase for circuit judges (and judges of the Court of Claims) was 44.44 percent.

Salaries of \$21,500 for the commissioners would represent an increase of a fraction over 45 percent.

Whereas the commissioners' salaries, before the recent increase, were 84.57 percent of the salaries of the judges of the Court of Claims and 98.66 percent of the salaries of the judges of the district courts, the adjustment to \$21,500 would represent 84.31 percent of the salaries of judges of the Court of Claims and 91.11 percent of the salaries of district court judges.

It is suggested that the commissioners be placed in a category with the members of the major boards and commissions; or that, in any event, their salaries be fixed at a figure not less than \$21,500.

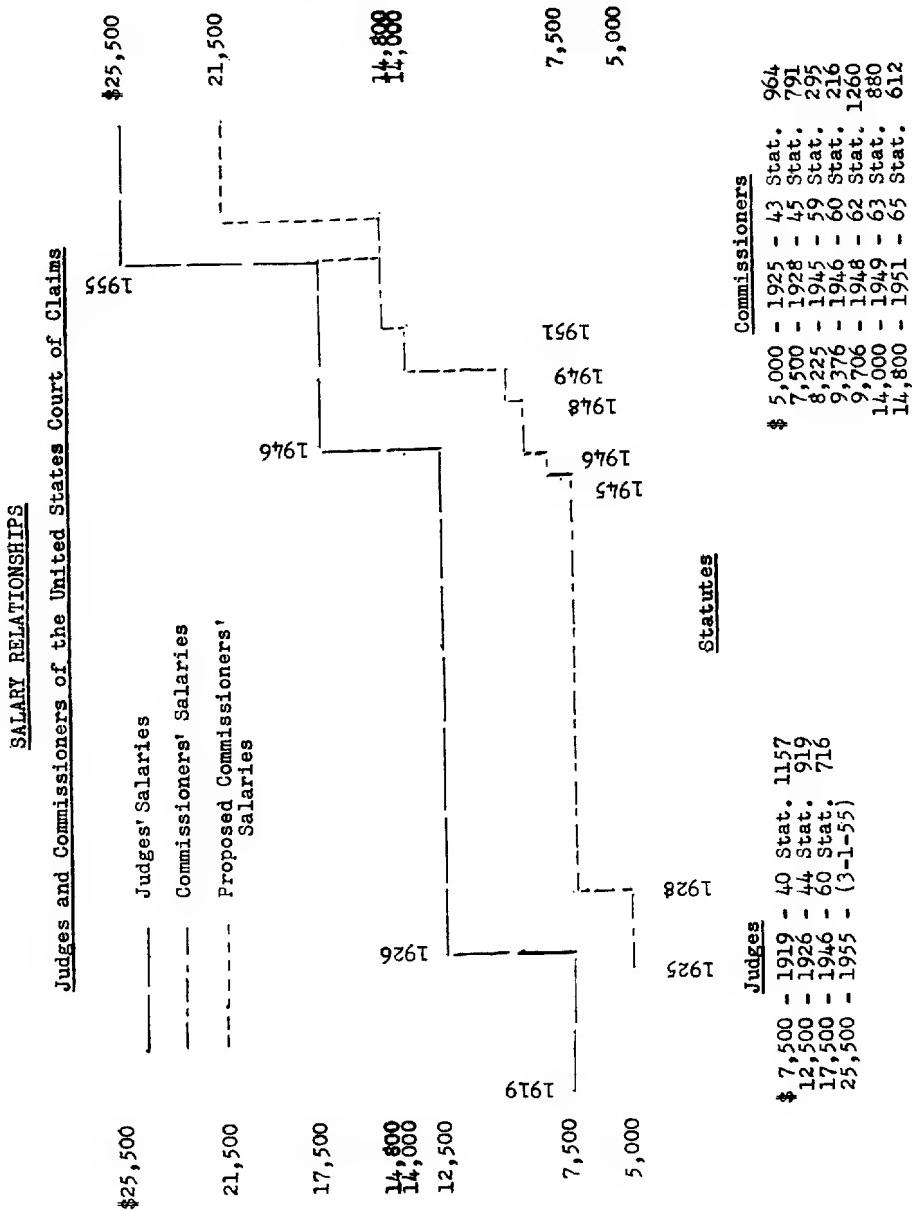


EXHIBIT 5

FARM CREDIT ADMINISTRATION,
Washington 25, D. C., February 6, 1956.

Hon. OLIN D. JOHNSTON,
Chairman, Senate Post Office and Civil Service Committee,
United States Senate.

DEAR CHAIRMAN JOHNSTON: Reference is made to your letter of January 12, 1956, to Governor Tootell, requesting a report on H. R. 7619 and S. 2628, bills to increase the rates of compensation of heads and assistant heads of executive agencies and of certain other officials of the Government. Since the Federal Farm Credit Board is now meeting here and has considered the proposed bills, which concern the salary of the Governor and others in the Farm Credit Administration, this report is being submitted on behalf of the Board by its Chairman instead of by the Governor.

The provisions of the bills which concern the Farm Credit Administration are those increasing the statutory salary rates and those increasing the maximum pay of GS-18 under the Classification Act of 1949, as amended. Both bills would also increase from 4 to 5 the number of pay rates for GS-17 under that act.

The provision in the Senate bill to provide 4 pay rates for GS-18 is preferable to the single rate of \$16,000 proposed by the House bill. The Senate provision would place GS-18 in a more equitable relationship to the other grades of the general schedule than would the House bill.

The bills would increase the annual rate of basic compensation for the Governor of the Farm Credit Administration to \$21,000, the House bill by specific designation in section 105 and the Senate bill by the language of section 202. Since the basic salary limitation now applicable to the Governor of the Farm Credit Administration is contained in Public Law 202, 83d Congress (67 Stat. 392), we think the language of section 202 of S. 2628 is not too clear. However, the committee report on the bill makes it clear that section 202 is intended to increase the basic compensation of the Governor to \$21,000.

Subject to the foregoing comments, we favor the enactment of legislation to accomplish the objectives of H. R. 7619 and S. 2628. At the present time, the Farm Credit Act of 1953 provides that the Federal Farm Credit Board shall fix the compensation of the Governor of the Farm Credit Administration, but that "the salary of the Governor shall not exceed \$17,500 a year." We favor changing the \$17,500 limitation to \$21,000 but would like to retain discretion in the Board to fix the salary at less than the maximum if circumstances should make that advisable. Our recommendation in this respect could be made effective by amending S. 2628 to include a new section 207, as follows:

"SEC. 207. Section 5 (b) of the Farm Credit Act of 1953, approved August 6, 1953 (Public Law 202, Eighty-third Congress (67 Stat. 392)), is amended by striking out '\$17,500' and inserting in lieu thereof '\$21,000'."

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Very truly yours,

GOLDEN F. FINE,
Chairman, Federal Farm Credit Board.

EXHIBIT 6

FEDERAL DEPOSIT INSURANCE CORPORATION,
 OFFICE OF THE CHAIRMAN,
Washington, January 24, 1956.

Hon. OLIN D. JOHNSTON,
Chairman, Senate Post Office and Civil Service Committee,
United States Senate, Washington 25, D. C.

MY DEAR SENATOR: You have forwarded to me copies of H. R. 7619 and S. 2628, with a request for our views and comments thereon. Since both of these bills provide for salary increases applicable to Directors of the Corporation, it is with normal embarrassment that I venture to express my views thereon.

We are in full accord with the principle that salary increases should be afforded to the heads of the executive departments of Government and certain other officials covered by the proposed legislation. Without reference to particular instances, we believe that the general scale of increases provided in each of the bills is in accord with the increases that have been afforded to other branches of Government and to personnel in lower classifications.

In reference to the provisions in the proposals applicable to the Directors of the Corporation, it is to be noted that in H. R. 7619 it is provided that each member of the Board of Directors of the Corporation and the Comptroller of the Currency shall receive compensation at the basic rate of \$20,000 per year, with an additional sum of \$500 annually to the Chairman. S. 2628 provides that the members of the Board of Directors of the Corporation, including the Comptroller, shall receive \$20,500 per annum, with a like provision for an additional sum of \$500 to be paid annually to the Chairman. The differential between the provisions of the two bills in reference to the Directors of the Corporation is slight, but we suggest that the higher figure contained in the Senate proposal is fully justified.

It is pertinent to point out that salaries paid to the Board of Directors of the Corporation, like other expenses of the Corporation, do not come from appropriated funds, but rather are derived from assessments received from insured banks.

We refrain from commenting on the salaries provided to other departments, boards and commissioners, for obvious reasons.

We would call the committee's attention to the fact that certain inequities have resulted from the salary increases heretofore granted to personnel in lower classifications without corresponding increases to the holders of positions covered in the proposed bills. During the months that have intervened since the enactment of the Federal Employees Salary Increase Act of 1955, there are instances in which personnel in lower classifications are receiving equivalent or greater salaries than their respective supervisors. The problem would be substantially cured if the present proposals were made retroactive to January 1, 1956. I urge that your committee give consideration to such action.

We have been advised by the Bureau of the Budget that it has no objection to the submission of this report.

With personal regards, I am

Sincerely yours,

H. E. COOK, Chairman.

EXHIBIT 7

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
Washington, February 15, 1956.

Hon. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington 25, D. C.*

MY DEAR MR. CHAIRMAN: This is in response to your letter of January 12, 1956, requesting the views and comments of the Board of Governors of the Federal Reserve System on the bills H. R. 7619 and S. 2628. These bills, while not identical, would increase the rates of compensation of the heads and assistant heads of executive departments and certain other officials of the Federal Government.

H. R. 7619, as passed by the House, would increase the salaries of members of the Board of Governors to \$20,000 per annum. S. 2628 would increase the salaries of members of the Board of Governors to \$20,500 per annum. Both bills would increase the salary of the Chairman of the Board of Governors by an additional \$500. The present salary of each member of the Board, including the Chairman, is \$16,000 per annum.

When the Federal Reserve Board was established in 1913 as an independent agency of the Government charged with primary responsibility for national monetary and credit policies, Congress recognized the importance of this responsibility by providing compensation for Board members equal to that of heads of departments. In 1913, the compensation of heads of departments and of Board members was \$12,000 per annum. This situation prevailed until 1925, when the salaries of department heads were increased to \$15,000. However, by the Banking Act of 1935 the compensation of members of the Board was likewise increased to \$15,000, thus reestablishing the parity of compensation that was contemplated by the original Federal Reserve Act.

The act of October 15, 1949, increased the compensation of the members of the Board of Governors of the Federal Reserve System, including the Chairman, from \$15,000 to \$16,000 per annum, and this is the salary which they receive today. The same act increased the compensation of members of the President's Cabinet from \$15,000 to \$22,500 per annum.

It is noteworthy that in 1950 the Subcommittee on Monetary, Credit, and Fiscal Policies of the Joint Committee on the Economic Report, of which Senator Douglas was chairman, stated that "every effort should be made to build up the quality and prestige of Federal Reserve officials," and the committee recom-

mended that the salary of the Chairman of the Board be raised to the same level as the salaries of Cabinet members (\$22,500) and that the salaries of other Board members be increased to \$20,000 per year. In 1952 the importance of an appropriate increase was reaffirmed by the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, of which Congressman Patman was chairman, which stated that "it is of great importance that the Chairman and members of the Board of Governors should be persons of the highest possible caliber" and recommended "that the salary of the Chairman be raised to the same level as that of Cabinet members—namely, \$22,500—and the salaries of other Board members be raised to \$20,000 a year."

The Chairman of the Board, who is designated as such by the President for a term of 4 years, is, under the law, the active executive officer of the Board. In addition, in accordance with the Bretton Woods Agreements Act, he serves, together with the Secretary of State, the Secretary of the Treasury, the Secretary of Commerce, and others, as a member of the National Advisory Council on International Monetary and Financial Problems. Also, under Executive order of the President, the Chairman serves as a member of the Defense Mobilization Board along with a number of heads of departments.

The Board's task of credit and monetary management has unique characteristics that set it apart from other Government agencies. To maintain sound credit conditions, it is essential that money—the medium of exchange by which goods and services change hands—play its role of fostering sustainable economic growth with high employment and of preserving purchasing power. Its role is, therefore, as vital to wage-earners as to those who are dependent primarily on savings or on fixed incomes. It contributes to, but does not control, the economic health and stability of the Nation. To accomplish this mission Congress has given primary responsibility to the Federal Reserve.

The responsibilities with respect to national monetary and credit policies exercised by the Board and by the Federal Open Market Committee, which includes among its 12 members the 7 members of the Board, have greatly increased in recent years. During and particularly since World War II, the rapid growth of the Nation's economy and the magnitude of the public debt have made central banking operations of critical importance under current and prospective economic conditions in this country. Among the Board's important responsibilities are the determination of reserve requirements of member banks, approval of Federal Reserve discount rates, and the regulation of stock-market credit. In addition, the Board performs certain supervisory and regulatory functions with respect to nonmember banks of the Federal Reserve System which hold about 85 percent of the deposits of the Nation's commercial banks. The Board also exercises general supervision over the 12 Federal Reserve banks and their 24 branches. Despite the importance of these supervisory tasks in maintaining a sound banking structure, they are definitely secondary in significance to the principal responsibility of the System to protect the integrity of the dollar and to foster a stable economy that will provide sustainable high employment.

These responsibilities of the Chairman and members of the Board call for specialized knowledge and judgment in the complex field of central banking. The salaries should be commensurate with the responsibilities of the positions in order to attract outstanding men and should be adequate to assure that the performance of their duties will not be impaired by the lessened prestige that may result from a salary status that is out of line on the low side. To this end, the Chairman of the Board, it is believed, should receive compensation equal to that provided for the heads of the departments, and the other members of the Board should receive compensation bearing a reasonable relation thereto.

Sincerely yours,

Wm. McC. MARTIN, Jr.

EXHIBIT 8

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington 25, D. C., February 8, 1956.

Re S. 2628 and H. R. 7619, 84th Congress.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington 25, D. C.

DEAR SENATOR JOHNSTON: This is in further reply to your letter of January 12 requesting the views of this Agency with respect to S. 2628, a bill to increase rates of compensation of the heads and assistant heads of executive departments

and independent agencies, and for other purposes, and H. R. 7619, a bill to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes. My letter to you of January 27 made certain recommendations on S. 2628 which are included in this report. In addition, this report expresses our views with respect to the provisions of H. R. 7619 and the provisions in S. 2628 relating to the salary of the Housing and Home Finance Administrator. Would you therefore please consider this report as superseding my letter of January 27.

S. 2628

Under the existing provisions of Public Law 359, 81st Congress, as amended, the rate of basic compensation of the Housing and Home Finance Administrator is placed at the same level as the Administrator of Veterans' Affairs and other comparable Federal executives. S. 2628 would, however, rank the Housing and Home Finance Agency below the Veterans' Administration insofar as the salary levels of their Administrators are concerned. It would seem that S. 2628 should continue at the same level such major independent agencies whose responsibilities have in the past been recognized as comparable. It should be noted, too, that since the enactment of Public Law 359 in the 81st Congress, the Congress has authorized this Agency to administer additional major programs and to substantially extend existing programs. As you know, H. R. 7619 would increase the salaries of the Housing and Home Finance Administrator and the Administrator of Veterans' Affairs but keep them on an equal level.

The Senate bill, S. 2628, would provide for the same basic rate of compensation for the Deputy Housing and Home Finance Administrator and the heads of the Agency's constituents. In my opinion, the relationship of these officials is of considerable importance, but I believe the salary of the Deputy Housing and Home Finance Administrator should be somewhat in excess of the salary of constituent heads—say \$20,500 instead of the \$20,000 rate. This would be consistent with organizational responsibility in the Agency and would recognize the important role of the Deputy Administrator in overall Agency supervision and coordination.

One correction in the provisions of S. 2628 is necessary to make the salary of the Community Facilities Commissioner the same as the salary of other Commissioners within the Housing and Home Finance Agency. I believe the bill intended to increase the salaries of these Commissioners by the same amounts. In fact, section 202 of the bill contains language to provide for increasing to \$20,000 the salaries of officials prescribed by existing statute at \$15,000, which is the present salary of all Commissioners, including the Community Facilities Commissioner. However, section 102 (g) of the bill would have the effect of raising the salary of the Community Facilities Commissioner to only \$17,500. This would result because of the specific inclusion of the position of Community Facilities Commissioner in section 6 (a) of Public Law 359, 81st Congress, and the specific purported increase from \$14,800 to \$17,500 in S. 2628 for this and similar positions. By section 113 of the Housing Amendments of 1955 (Public Law 345, 84th Cong.) the salary of the Community Facilities Commissioner was established at the same basic rate as that established for the heads of the constituent agencies of the Housing and Home Finance Agency, and was thus increased from \$14,800 to \$15,000. The Housing Amendments of 1955 did not, however, expressly repeal that portion of Public Law 359 which named the Community Facilities Commissioner (referred to therein as Commissioner of Community Facilities) nor does S. 2628 provide for such repeal. This situation would thus prevent the Community Facilities Commissioner from coming within the purview of section 202 of the bill, although the pay of the heads of the other Agency constituents would come within the purview of that section.

It was the purpose of the 1955 Housing Act, in fixing the salary of the Community Facilities Commissioner at \$15,000, to make his basic rate of compensation the same as that paid the heads of constituent agencies of the Housing and Home Finance Agency. The considerations then involved would seem to have equal application here. It may be noted that the Community Facilities Commissioner was given major new responsibilities by virtue of legislation enacted as part of the 1955 Housing Act.

My final comment concerning S. 2628 relates to the salary rate of the General Counsel of the Housing and Home Finance Agency. By the Independent Offices Appropriation Act, 1956 (Public Law 112, 84th Cong.) the General Counsel's salary is to be paid at the rate of grade GS-18 so long as such position is occupied by the present incumbent. The necessity for that action arose out of the fact that until April 1954 the positions of Deputy Administrator and General Counsel had

been combined and no separate provision had been made for the salary rate of the General Counsel. Upon the separation of these offices it became necessary to fix the salary of the General Counsel. As a temporary measure there was enacted in the Independent Offices Appropriation Act of 1955 (Public Law 428, 83d Cong.) a provision to the effect that the Counsel's salary would be fixed at a rate of a grade GS-18 so long as the incumbent remained in that office. When the present General Counsel's predecessor resigned, the salary fixed by the 1955 appropriation act was no longer applicable. Consequently, in the 1956 appropriation act provision was again made to fix the General Counsel's salary at the rate of grade GS-18 so long as the present incumbent occupied that position. I recommend, in view of the importance and the scope of the position of chief legal officer of the overall housing agency, that this salary rate for the position of General Counsel, Housing and Home Finance Agency, should be made permanent. This can be done by adding such position to the list of positions in section 102 (g) of the bill amending section 6 (a) of Public Law 359.

H. R. 7619

My above comments concerning the basic rate of compensation for the heads of all constituents of the Housing and Home Finance Agency have equal application to provisions in H. R. 7619. That bill provides for one basic rate for the heads of agency constituents and for the Deputy Housing Administrator, except that it provides a lower basic rate for the Urban Renewal Commissioner (described in the bill as the Director, Division of Slum Clearance and Urban Redevelopment) and omits entirely making provision for the Community Facilities Commissioner. Section 301 (1) of H. R. 7619 repeals the present provisions of Public Law 359 (81st Cong.) which fixes the compensation of the Commissioner of Community Facilities. For the reasons previously stated in connection with S. 2628, I would recommend that the Urban Renewal Commissioner and the Community Facilities Commissioner be given the same basic rate of compensation under H. R. 7619 as the other constituent heads of the Agency.

It is noted too, that H. R. 7619 makes provision for the salary rate of the Deputy Housing and Home Finance Administrator at the same level as the heads of some of the constituent agencies of the Housing and Home Finance Agency. For the same reasons stated in connection with S. 2628, I would recommend that the basic rate of the Deputy Housing Administrator be established at a rate somewhat in excess of that of the heads of these constituent agencies. This would also be in line with salaries to be provided in H. R. 7619 for the Deputy Administrator of General Services, the Deputy Administrator for Veterans' Affairs, and comparable positions.

My above comments concerning the salary rate of the General Counsel of the Housing and Home Finance Agency have equal application with respect to H. R. 7619. This bill, too, makes no provision for a basic salary rate for the important position of General Counsel of the Housing Agency.

This Agency has no objection to H. R. 7619 with the changes noted. I believe, however, that S. 2628, amended to conform with the changes recommended, more clearly carries out the recommendations of the President in his letter to you of July 15, 1955, to provide executive salary rates which will permit able men to lend their talents to the conduct of governmental affairs without excessive financial sacrifice.

In view of your request for an immediate report, this is being sent to you prior to clearance with the Bureau of the Budget. As soon as the Bureau's views are obtained, we will send you a supplemental report.

For your convenience, I am enclosing as an attachment proposed amendments to S. 2628 and H. R. 7619 which would carry out the recommendations made in this letter and also furnish certain purely technical changes.

Sincerely yours,

ALBERT M. COLE, *Administrator*.

Attachments.

PROPOSED AMENDMENTS OF HOUSING AND HOME FINANCE AGENCY TO S. 2628

1. On page 2, line 10, strike "Intelligence," and insert "Intelligence, the Housing and Home Finance Administrator".
- On page 2, lines 21 and 22, strike "the Housing and Home Finance Administrator".
2. On page 3, line 9, strike ", and" and insert ", the Deputy Housing and Home Finance Administrator, and".

3. On page 4, line 23, strike "and" and insert "the Commissioner of Community Facilities, and".
 4. On page 5, line 2, strike "and" and insert "the General Counsel, Housing and Home Finance Agency, and".

PROPOSED AMENDMENTS OF HOUSING AND HOME FINANCE AGENCY TO H. R. 7619

1. On page 5, at line 9 strike the period at the end of the line and insert ";" (20) The Deputy Housing and Home Finance Administrator."
 2. On page 7, lines 11 and 12 strike "(35) The Deputy Administrator of the Housing and Home Finance Agency".
 3. On page 7, line 13 strike "(36)" and insert "(35)", strike the comma, insert a period, and strike line 14.
 4. On page 7, line 15 strike "(37)" and insert "(36)".
 5. On page 7, line 17 strike "(38)" and insert "(37)".
 6. On page 7, after line 18 insert "(38) The Urban Renewal Commissioner, Housing and Home Finance Agency; (39) The Community Facilities Commissioner, Housing and Home Finance Agency;" and renumber the remaining offices or positions of that subsection accordingly.
 7. On page 10, at lines 23 and 24 strike "(11) The Director, Division of Slum Clearance and Urban Redevelopment, Housing and Home Finance Agency;" and insert "(11) The General Counsel, Housing and Home Finance Agency."
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EXHIBIT 9

AUGUST 1, 1955.

Memorandum for the Chairman:

Supplementing memorandum of July 28, the three top positions in the National Advisory Committee for Aeronautics, namely: Director (head of agency), Executive Secretary (assistant head of agency), and Associate Director for Research, are not under the Classification Act and should be included in the pending Executive Pay Act. Those positions were established by action of the President in 1949 in approving, pursuant to law, formal amendments to NACA regulations. Their present rates of pay are: Director, \$17,500, under appropriation act language; Executive Secretary and Associate Director for Research, \$15,000, under Public Law 167, 81st Congress. The Associate Director for Research performs the duties of the position of Director of Aeronautical Research carried in section 5 of the Executive Pay Act of 1949 for \$15,000.

The NACA for 40 years has conducted the scientific research that has set the pace of world progress in aviation and is keeping America first in the air. Its unsurpassed research laboratories in Virginia, Ohio, and California, have a plant value of \$300 million. The NACA staff total is 7,500 and the operating budget is \$60 million.

Leadership in scientific research is essential to supremacy in the air, and supremacy in the air is the primary requisite for national security. Without it the whole security program would lack validity.

The NACA is composed of 17 members appointed by the President and serve in effect as a board of directors without compensation. Many of the best scientific minds are among the 185 members of its 28 technical subcommittees. They also serve without compensation in formulating timely aeronautical research programs.

The Director is the official head of the organization and has powers and responsibilities corresponding to those of president of a corporation. In addition, he is constantly consulted by the Air Force and Navy in their long-range planning. The great value of NACA is due largely to the fact that it has earned the confidence and respect of the military services and of the aircraft industry. The relative stature of NACA can be strengthened or weakened by the Congress in the Executive Pay Act. The pending Senate bill S. 2628 gives NACA only one position in section 5 (a).

The Congress can promote the public interest and strengthen the morale of the organization by accordinig NACA recognition more fairly comparable to its vital importance. It is suggested that the 3 top positions warrant inclusion in the Executive Pay Act as follows: Director, National Advisory Committee for Aeronautics, in section 102 (a) at \$22,000; Executive Secretary, and Associate Director for Research in section 102 (e) at \$20,000.

EXHIBIT 10

SELECTIVE SERVICE SYSTEM,
OFFICE OF THE DIRECTOR,
Washington, D. C., February 15, 1956.

Hon. OLIN D. JOHNSTON,
Chairman, Senate Post Office and Civil Service Committee,
United States Senate.

DEAR MR. CHAIRMAN: As requested in your letter of January 12, 1956, I am pleased to furnish your committee with my comments relative to H. R. 7619 and S. 2628.

I am in entire accord with the statement of the President in his letter to you of July 15, 1955, that the top pay scales in Government must be improved sufficiently to enable the Nation's most capable men to respond, when they are needed, to the call of public service. While S. 2628 appears not to differ materially from H. R. 7619, it does contain in its provisions some 10 amendments. One of these amendments, No. 6, would insert on page 4, line 1, the following: "the Administrator of the Saint Lawrence Seaway Development Corporation, the Administrator of the Small Business Administration, and the Director of Selective Service".

This Senate amendment is of vital importance to the Selective Service System for the following reasons:

1. It would place the head of the System more nearly in the group in which he would have been placed in Public Law 359 of the 81st Congress, if, at the time of the passage of that law on October 15, 1949, the Selective Service System, instead of then being a skeletonized system, had reached its present full expansion and operating responsibilities.

2. In order to attract a fully capable and important qualified person, it is necessary to establish the prestige of the position of Director of Selective Service in governmental organization and the salary of the position in a proper relationship to other executives in the Federal Government of comparable responsibility and importance.

3. Under the proposed amendments to the executive pay bill, positions of comparable responsibility and importance have been moved out of the same group in which they and the Director of Selective Service were placed under the 1949 act to a group for which there is proposed a higher pay.

At the time of the passage of Public Law 359, 81st Congress, on October 15, 1949, the Selective Service System had suspended inductions and was to a large extent on a standby skeletonized basis. The Selective Service Act was due to expire the following summer, and there was considerable question as to whether there would be any need for its extension. It was in these circumstances that the status of the System was reflected in the fact that the Director of Selective Service was placed in the executive pay law of 1949 in the lowest salary group of Federal officials.

At the present time the Selective Service System is recognized as the keystone to the entire manpower utilization of the country, both military and civilian. Through its operation, affecting as it does more than 17 million registrants, it furnishes approximately the 1 million men a year required by the Armed Forces, both directly by induction and indirectly by stimulating voluntary enlistments and reenlistments. At the same time it has the grave responsibility of insuring through deferment the maintenance of a sound, effective, and adequate civilian economy.

The Selective Service System at the present time, in contrast to its 1949 operation, is now operating on a considerably expanded scale, with 56 State headquarters located in each State of the Nation and in each of the Territories and possessions. In addition, the System has more than 4,000 local selective-service boards located in communities throughout the country and in each of the Territories and possessions. These headquarters and local boards, as well as approximately 100 appeal boards located in the States and Territories, are staffed by approximately 50,000 persons, of which more than 90 percent serve on an uncompensated basis.

Since 1950 the Selective Service System has acquired through new legislation large additional responsibilities such as the operation of the doctor draft law.

The Congress, in the Reserve Forces Act of 1955, by unprecedented action, placed upon the Director of Selective Service the responsibility of determining, on a selective recall basis, the availability of every reservist in the Standby

Reserve. The significance of this unusual congressional mandate to the Director of Selective Service is pointed up when it is realized that since the very earliest days of this country those persons in the Reserve were subjected to direct callup by the appropriate military authorities, without having their availability for such callup established by any agency or agency head outside of the military departments. The Director of Selective Service is keenly aware of the importance of this new responsibility which the Congress has placed upon him, because of his knowledge that this action by the Congress had its genesis in the disastrous experiences which occurred in the nonselective callup of reservists during the Korean conflict.

In the near future, the Standby Reserve is expected to number in excess of 5 million persons. In order to properly discharge this great responsibility, the Director has begun an expanding program to keep close track of these reservists. The Reserve Forces Act further placed upon the Selective Service System the job of policing the Ready Reserve, which it is contemplated will reach a strength of slightly less than 3 million. This policing will require the System to initiate prompt action to induct out of turn those individual members of the Ready Reserve who fail to live up to the requirements that they satisfactorily participate in the required reserve training. Under this act the System is further charged with the responsibility for the special selection for the 6 months' training program scientists engaged in research or critical defense-supporting industries and persons who have critical skills who are so engaged. Following the 6 months' active duty for training, those persons screened from the Ready to the Standby Reserve will fall within the policing jurisdiction of the Selective Service System.

The matter of civilian pay for the Director of Selective Service is one that is not of too much concern to the present Director, inasmuch as he has served since 1946, the date of his retirement for physical disability, in a military status as a retired major general ordered to active duty, but it is of the utmost importance that the position of Director of Selective Service be reevaluated at this time, on the basis of the great responsibility which has been placed upon the position by the Congress. Unless the prestige of this agency is maintained within the governmental structure at an appropriate level and the salary of the position set in proper relationship to other executive positions in the Government of comparable responsibility and importance, capable and qualified men cannot be secured to fill the position. I therefore urge favorable action on the Senate amendment.

The Bureau of the Budget has advised that this report is in accordance with the program of the President.

Sincerely yours,

LEWIS B. HERSHHEY, Director.

EXHIBIT 11

SMALL BUSINESS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D. C., February 16, 1956.

Hon. OLIN D. JOHNSTON.

Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington 25, D. C.

DEAR SENATOR JOHNSTON: Further reference is made to your letter of January 12, 1956, in which you request our views and comments on proposed bills H. R. 7619 and S. 2628, both pertaining to increasing the rates of compensation of heads and assistant heads of executive departments and independent agencies.

We understand that both the House and Senate bills, as reported out, differed from the Administration's proposed bill in that the Administration's bill recommended a salary of \$21,000 for the Administrator of the Small Business Administration and \$20,000 for each of the three Deputy Administrators. In this connection, we feel that the Administration's recommendation should be approved for this agency.

It is the policy of this Administration to maintain a strong small-business community. Therefore, as a matter of principle, it is important that the position of Administrator of the Small Business Administration be consistent in stature with the heads of other agencies. In the bill recommended by the Senate, this position is in the same category as members of most independent boards and commissions which, in most instances, require a minimum amount of administrative responsibility.

We would further like to go on record as recommending the amendment to the Classification Act of 1949, set forth in section 302 of S. 2628, which provides for 4 pay rates for GS-18, beginning with \$16,000 and ending at \$17,500, as against the bill reported out by the House which provides for an increase in GS-18 to a single rate of \$16,000.

The Bureau of the Budget has no objection to the submission of this report.
Sincerely yours,

WENDELL B. BARNES, *Administrator.*

EXHIBIT 12

INTERSTATE COMMERCE COMMISSION,
Washington 25, February 6, 1956.

Hon. OLIN D. JOHNSTON,
*Chairman, Post Office and Civil Service Committee,
United States Senate, Washington 25, D. C.*

DEAR CHAIRMAN JOHNSTON: Your letter of January 12, 1956, addressed to the Chairman of the Commission and requesting comments on an act, H. R. 7619, passed by the House of Representatives on June 30, 1955, to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes, and on bill S. 2628, introduced by you (for yourself and Senator Carlson) (by request), to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and for other purposes, has been given careful consideration by the Commission, and I am authorized to submit the following comments:

H. R. 7619 and S. 2628 propose, among other things, to increase the annual rate of basic compensation for members of the Interstate Commerce Commission to \$19,000 and \$20,000, respectively, and to provide for the payment of an additional \$500 per annum to the Chairman while serving in that capacity. The proposed measures would also amend the compensation schedule for the general schedule contained in section 603 (b) of the Classification Act of 1949 so as to provide for an additional ingrade increase of \$215 for grade GS-17, and an increase in the basic rate of compensation for grade GS-18 from \$14,800 to \$16,000 per annum. S. 2628 would provide, in addition, 3 ingrade increases of \$500 each for grade GS-18.

The Classification Act of 1949, which established grades GS-17 and GS-18, provided for annual basic compensation therefor in the amounts of \$12,200 and \$14,000, respectively, a spread of \$1,800. These basic rates of compensation were increased in July 1951 to \$13,000 and \$14,800, respectively (Public Law 201), also a spread of \$1,800. Grade GS-17 was again increased in March 1955 to \$13,975 (Public Law 94), but no corresponding increase was provided for with respect to grade GS-18. Inasmuch as the annual basic compensation for grade GS-18 has been increased only once since the grade was established in 1949, and since no ingrade increases have ever been provided in that grade, we believe that the raises proposed for grades GS-17 and GS-18 in S. 2628 would be more equitable than those proposed in H. R. 7619. At present only one employee of this Commission, the Managing Director, is rated as high as GS-18. The General Counsel, the Chief of Mobilization Planning, and one bureau head are rated as GS-17.

With respect to the proposed increases in compensation for members of this Commission and other independent regulatory agencies, it is noted that in both H. R. 7619 and S. 2628 such proposed increases are considered together with proposed increases for heads of executive departments. The effect of this treatment is to relate the level of compensation payable to members of such independent agencies, which are arms of Congress, to the level of compensation payable to the heads of executive departments, which are responsible to the President (with the latter level as a ceiling). We are unable to see any basis for the establishment of such relationship, and are of the opinion that it would be more realistic and desirable to consider any proposed increase in compensation for members of independent agencies separate and apart from any proposed increase for heads of executive departments. We therefore urge that consideration be given to enactment of a separate bill for increased compensation to members of independent agencies,

such as S. 2639, introduced by Senator Magnuson, or H. R. 7257, introduced by Congressman Simpson of Illinois, amended so as to include other independent regulatory agencies, both of which were introduced during the first session of the current Congress.

The present salary of the members of this Commission is \$15,000 per annum. This rate, fixed in 1949 (Public Law 359), has been the only salary increase granted members of the Commission since 1920, at which time their salaries were fixed at \$12,000 per annum, and were tax exempt. With present income-tax rates, the \$15,000 salary now received by members of the Commission is actually less than the \$12,000 salary established in 1920. When the increased cost of living is taken into consideration, the inadequacy of the present pay scale becomes even more apparent. Moreover, the duties, burdens, and responsibilities of the Commission are now far greater than they were in 1920. While we are unable to speak for the other independent agencies respecting their experience in the matter of increased workload, we believe that the Interstate and Foreign Commerce Committees of both Houses of Congress are well aware of the tremendous increase which has occurred during the past 35 years in the work of this Commission, both as to the volume of work handled and as to the complexity of problems presented.

During the period since 1920, members of the Interstate Commerce Commission received salaries higher than or as high as judges of the United States district courts who now receive \$22,500 per annum. The district court judges also enjoy the added advantages of residing at home, life tenure, more liberal pensions, and less volume of work. In addition, we believe it appropriate to point out in this connection that commissioners on some of the State public utility commissions receive salaries substantially equal to or considerably in excess of those paid members of this Commission. In New York, for instance, commissioners receive \$18,500 per annum, and the chairman \$19,500 per annum. State commissioners in New Jersey receive \$15,000 per annum, and the chairman receives \$18,000 per annum, while in Pennsylvania the commissioners receive \$14,000 per annum, and the chairman \$15,000 per annum. In 14 States the chairmen are compensated at a higher rate than other members of the respective commissions. (All figures are for the year 1954.) Since 1954 the annual compensation of commissioners in California and Texas has been increased to \$17,000 and \$17,500, respectively. This, we believe, serves to illustrate further the inadequacy of the compensation now paid members of the Interstate Commerce Commission and the need for a substantial increase. Unless such an adjustment is made, we feel that it will become increasingly more difficult to attract the most qualified men to serve on the Commission.

During the first session of the 84th Congress, legislation was enacted providing pay raises for members of the judiciary, Members of Congress, members of the Armed Forces, postal employees, and most of the classified Government employees. In view of these recent increases, the rise in the cost of living, and the increased workload which have occurred during the years since the salaries of the members of this Commission and other independent agencies were last raised, it would appear that a substantial increase in the salaries of the members of such independent agencies would warrant favorable consideration. However, for the reasons hereinbefore stated, we urge adoption of a separate measure, such as S. 2639 or H. R. 7257, amended as suggested, for members of independent agencies which would increase present rates of pay to \$21,500 per annum and \$22,500 per annum, respectively. We believe that these measures provide a more realistic approach to the problem. We also favor additional compensation for the chairmen of the respective independent agencies such as proposed in H. R. 7619 and S. 2628, in recognition of the additional duties and responsibilities of that office.

In view of the long lapse of time which has occurred since increases for members of independent agencies were proposed during the first session of the current Congress; it is our further belief that any legislation enacted providing for such increases should be made retroactive, as was done in the case of increases for classified Government employees and postal employees.

Respectfully submitted,

ANTHONY ARPAIA, Chairman.

EXHIBIT 13

NATIONAL LABOR RELATIONS BOARD,
Washington 25, D. C., February 3, 1956.

In re Executive Pay Increases H. R. 7619 and S. 2628.
Hon. OLIN D. JOHNSTON,
Chairman, Post Office and Civil Service Committee,
United States Senate, Washington, D. C.

MY DEAR SENATOR JOHNSTON: This is in response to your request for our views and comments on the bills above mentioned.

It is the unanimous view of the members of the National Labor Relations Board that the provisions of S. 2628 are preferable to those of H. R. 7619.

For a rather extended period the salaries of members of independent boards and commissions and the NLRB General Counsel were the same as salaries of district court judges and Members of Congress. The common salary was \$15,000 (treating the \$2,500 expense item of Members of Congress as salary) until 1955 when the salaries of district judges and Members of Congress were increased to \$22,500.

We are unanimously of the view that notwithstanding the past parallel there should be a differential in salary between Members of Congress and members of independent agencies. The same may be true with respect to the district judges; however, in this area justification of the difference is not so clear. If the workload of a member of the National Labor Relations Board and the General Counsel is measured against the workload of the average district judge it would be very difficult to justify, in our opinion, any greater differential than the \$2,500 that will result if S. 2628 becomes law. The unfairness of any greater discrepancy is brought into focus when consideration is given to the fact that very often decisions rendered by the National Labor Relations Board have a national impact and are much less likely than district court decisions to involve merely local problems. We feel that our work is at least equally important as that performed by district judges. Another factor worthy of consideration is that the tenure of office of our members and the General Counsel is often of short duration and frequently involves a move to Washington on a rather temporary basis. The expense incident to such a move and in most cases an increased cost of living are other factors deserving consideration. Many district judges remain in their home communities after appointment. Those who must establish new homes may remain in them permanently. These are some of the reasons why we feel no salary lower than the \$20,000 proposed in S. 2628 should be provided for the members of this Board and the General Counsel.

We are also unanimously of the view that in fairness the increases in salaries should be made retroactive to March 1, 1955, when increases granted other Government officials and employees became effective. This is in harmony with the thought expressed by Senator Wayne Morse when he was speaking on this problem in the closing hours of the 1st session of the 84th Congress. At page 11279 of the Congressional Record, dated August 3, 1955, he said:

"I think we can correct any injustice which our failure to pass the bill tonight may create, come January. Then we can pass the bill after hearings have been held, and we can make the terms of the bill retroactive in order to correct any unfairness which any particular individual may suffer as a result of not passing the bill tonight."

With us this is not merely a matter of passing concern. We regard an increase of our salaries to \$20,000 with the retroactive provision to be only just, and in the light of all circumstances, past due. Present members of the Board and the General Counsel are dependent on our salaries for a livelihood and so this matter is of real economic importance to us.

We sincerely hope that S. 2628, with a provision for retroactive pay, will be enacted at an early date.

Respectfully submitted,

BOYD LEEDOM, *Chairman.*

